



September 17, 2004

Mr. Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program
State of Utah
Department of Natural Resources
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: Seep Ridge Project
M/047/002
Uintah County, Utah

Dear Mr. Haddock:

A site inspection of our Seep Ridge Project in Uintah County was conducted on July 8, 2004. Participating in the inspection were Paul Baker, Senior Reclamation Biologist from the Division of Oil, Gas and Mining, John Blake from the School and Institutional Trust Lands Administration and myself and Mr. Tom Concannon from Geokinetics Inc. as well as our contractor who has been conducting reclamation work.

During the inspection we agreed upon certain specific additional procedures to be conducted by our contractor which would satisfy the final requirements related to the project and complete our reclamation process. Those operations have now been completed and we understand that agreement has been reached on the issues related to the water rights and the operation of the water well for the benefit of the grazing permittee, Alameda Corporation.

We respectfully request that Geokinetics Inc. be released from its obligations under the permit, that the permit be closed out, and that the reclamation surety deposit at Frost National Bank in the amount of \$13,500.00 be released.

Thank you for your assistance.

Sincerely,

Michael A. Schott

Michael A. Schott

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SEP 20 2004

DIV. OF OIL, GAS & MINING